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FINANCE DIVISION OPERATING PROCEDURE # 20-6

13 January 1958
(Revised)

SUBJECT: Personnel Clearances

RESCSSIONS: All Prior Finance Division Releases on the Subject of Clearances

I. GENERAL

- A. This instruction outlines the responsibilities of the Finance Division and the action to be taken by the Branches of the Division in granting financial clearance to personnel separating from the Agency. The scope of this instruction covers the following types of personnel actions: (1) resignations, (2) LWOP in excess of sixty (60) days, (3) Military Personnel returning to their parent organization or civilianizing with the Agency and (4) transfers between unvouchedered and covert positions. No clearance will be initiated by the Finance Division for temporary summer employees.
- B. It is the responsibility of the Finance Division to ensure that indebtedness of an individual to the Agency is recovered prior to the individual's departure from the Agency or the final settlement of the individual's salary (including terminal leave) allowances, travel or any other reimbursements to which he may be entitled; and, when necessary, to initiate action to liquidate such indebtedness by retirement credit or such other action or methods of recovery as may be necessary.
- C. The Operations and Liaison Branch will be the control point within the Finance Division. Any inquiries received by other offices in the Finance Division will be referred to the Operations and Liaison Branch for action.
- D. Clearances pertaining to PCS field assignments, returnees from field assignments, [redacted] and inter-division transfers will be performed by the Office, Division or Staff to which the employee is assigned. Upon request, the Operations and Liaison Branch and the Compensation and Tax Accounts Branch will provide information necessary to the Office, Division or Staff in the performance of its responsibilities.

25X1

II. SOURCES OF DATA

A. Personnel Officers:

The Personnel Officer of each Office, Division or Staff of the Agency, and the Military Personnel Detachment have agreed to provide the Operations and Liaison Branch, by telephone, the following information concerning individuals separating from the Agency: (1) individual's name, (2) office to which attached, (3) last official station, (4) type of funds from which paid and (5) effective date of separation or termination. (For DD/P personnel also see [redacted] dated 24 August 1955)

Document No. NO [redacted]

NO CHANGE in Class.

DECLASSIFIED

Class. CHANGED TO: TS S C

DDA Memo, 4 Apr 77

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Date: 24 Feb 78 By: [redacted]

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25X1 13 MAR 1958

FLOP # 20-6

- 2 -

13 January 1958
(Revised)

B. Weekly Listings:

A weekly listing of separated personnel will be submitted to the Operations and Liaison Branch, Finance Division, by the Office of Personnel.

C. Operational Personnel

In connection with agent and/or contract personnel, information frequently will be received by the Compensation and Tax Accounts Branch direct from the Case Officers concerned.

III. OPERATIONAL PROCEDURE

A. Functions of the Clearance Officer, Operations and Liaison Branch:

1. Initiating Action

The Clearance Officer will:

- a. Record the receipt of pertinent information pertaining to a clearance (See Part II and Part III, C.) on a 3 x 5" card for ready reference purposes and file this card in a "current clearance" card file. This card will be retained until the final clearance has been effected by the Certifying Officer.
- b. Initiate a Finance Division Clearance Worksheet (FDCW), copy attached, including thereon the following:
 - (1) Date of document, and the information required on the first six (6) lines thereof,
 - (2) A transcript of advance account balances required in Section A indicating thereon, the date of the last posting entry (from the latest IBM run); or, "No Balance" for those General Ledger Accounts in which no balances are reflected,
 - (3) True names, pseudonyms, aliases, etc., pertaining to the individual, to be attached to a separate listing to the FDCW. These names may be obtained from the Finance Division Registry, Compensation and Tax Accounts Branch and other Agency sources.
 - (4) Any other pertinent information received from the Office, Division, or Staff concerned.
- c. After completing the steps outlined above, forward the FDCW, with attachments, to the Chief, Compensation and Tax Accounts Branch. (Note: It will be the responsibility of the Compensation and Tax Accounts Branch to make appropriate sectional distribution - See Part III, B, C, D & E below).

d. Forward the FDCW to the Certifying Officer after it is returned Approved For Release 2002/08/22 : CIA-RDP61A00274A000290150006-4
to the Finance Staff, Compensation and Tax Accounts Branch.

FDCP # 20-6

- 3 -

13 January 1958
(Revised)

- c. At the end of each day, prepare and forward to the Accounts Receivable Section of the Accounts Branch a true and pseudonym listing of those names received during the day for which clearances are to be processed. The nature of each clearance will be noted on the listing.

2. Final Action.

After Clearance has been granted to an individual the Clearance Officer will:

- a. Forward to the Fiscal Division all completed FDCW's received from the appropriate Certifying Officer pertaining to individuals carried on the Voucherized Fund rolls who are not indebted to the Agency.

- b. Forward to the Finance Division Registry the completed FDCW's received from the appropriate Certifying Officer pertaining to Military Personnel who are not indebted to the Agency.

- c. Forward to the Compensation and Tax Accounts Branch all completed FDCW's received from the appropriate Certifying Officer pertaining to individuals carried on Unvoucherized Fund rolls who are not indebted to the Agency.

3. When Clearance has not been granted to an individual the Clearance Officer will:

- a. When advised by a Certifying Officer that an individual cannot be granted clearance, insert this information on the individual's 3 x 5" index card noting thereon the Certifying Officer's reason for refusing to grant clearance.

- b. With respect to 3. a. above, when the FDCW is received from the Certifying Officer advising that all deficiencies have been corrected by the individual concerned or that the outstanding indebtedness has been transferred to General Ledger Account 148.0, (1) destroy individual's 3 x 5" control card and (2) forward the FDCW to the Fiscal Division, Finance Division Registry or the Compensation and Tax Accounts Branch, as provided in Part III A. 2., above.

B. Functions of the Staff Employees Accounts Section, Compensation and Tax Accounts Branch:

The Staff Employees Accounts Section will:

1. When the FDCW is received from the Clearance Officer, (1) insert comments thereon pertaining to the action, if any, to be taken in connection with outstanding balances in General Ledger Accounts 150.1 and 300.1 and (2) complete Section B of the FDCW.

SECRET
FDOP # 20-6

- 4 -

13 January 1958
(Revised)

2. When 1. above has been completed, forward the FDCW to the Tax and Allowance Staff, Compensation and Tax Accounts Branch.
 3. When memoranda is received from the Certifying Officer advising that an employee's indebtedness is to be recovered by payroll deductions from final pay and terminal leave due the employee (See Part III F.), take necessary steps to (1) effect deduction of the indebtedness on the next payroll run and (2) return one (1) copy of all memoranda advising, by endorsement, payroll's action with respect to its compliance, non-compliance or partial compliance with the request contained in the original memoranda.
 4. When the completed employees FDCW, for an employee certified as cleared, is returned by the Clearance Officer, file it in the appropriate personnel folder.
- C. Functions of the Staff Agent Accounts, Contract Agents and Contract Employees Accounts Sections, Compensation and Tax Accounts Branch:
- The appropriate Staff Agent or Contract Accounts Staff will:
1. When advised by available sources that a clearance is required for agent or contract type personnel, initiate processing of the Finance Division Clearance Worksheet by (1) indicating the date of this action and (2) completing the information required on the first six (6) lines thereof.
 2. When 1. above has been completed, forward the FDCW to the Clearance Officer for further action required in Part III A hereof.
 3. When the FDCW is returned from the Clearance Officer, review the payroll records of the individual concerned and insert thereon comments regarding the status of General Ledger Accounts 150.2 and 300.2 and complete Section B thereof.
 4. When 3. above is completed, forward the FDCW to the Tax and Allowance Staff, Compensation and Tax Accounts Branch.
 5. When memoranda is received from the Certifying Officer advising that an individual's indebtedness is to be recovered by payroll deductions from final pay and terminal leave due the individual (See Part III F. para 4 f.), take necessary steps to (1) effect deduction of the indebtedness on the next payroll run and (2) return one (1) copy of all memoranda advising, by endorsement, payroll's action with respect to its compliance, non-compliance or partial compliance with the request contained in the original memoranda.
 6. When the completed FDCW, for an Agent or Contract employee certified as cleared, is returned by the Clearance Officer, file it in the appropriate personnel folder.

FLOP # 20-6

- 5 -

13 January 1958
(Revised)

D. Functions of the Tax and Allowance Staff, Compensation and Tax Accounts Branch:

The Tax and Allowance Staff will:

1. Review its records pertaining to the individual for which a Finance Division Clearance Worksheet has been received and note on the worksheet the status of the individual in regard to his tax liabilities. If he is current, this will be so stated. If delinquent, the amount of the delinquency will be shown. If the individual concerned is not required to file a covert tax return, a positive statement to this effect will be inserted on the FDCW.
2. Complete Section C. of the Finance Division Clearance Worksheet. If the individual concerned has not received a Home Service Transfer Allowance, a positive statement to this effect will be inserted on the FDCW.
3. Forward all FDCW's to the Clearance Officer for further action.

F. Functions of the Certifying Officer, Operations and Liaison Branch:

The Certifying Officer will:

1. Upon receipt of the partially completed Finance Division Clearance Worksheet (Sections A. through C.) from the Clearance Officer, (1) transcribe thereon the individual's recorded balances of General Ledger Accounts 144.1, 144.2, and 144.3 and (2) the date of the last posting entry (from the latest IBM run). Indicate "No Balance" for those General Ledger Accounts in which no balances are reflected.
2. Review pending files and items in process; and, if an individual has recently returned from a Class "B" Station, the 140.5 Account of the individual's former station to determine whether uncleared transactions exist. Record these findings on the FDCW.
3. If the individual is returning from a field station and a Personnel Transfer and Clearance Sheet (Form 33-49), or its equivalent, has not been received from the individual's former station, clearance will not be granted until the individual's financial status has been determined and satisfactorily resolved. To more speedily accomplish the clearance procedure, a cable will be transmitted to the individual's former station requesting the following information:
 - a. Advances and/or payments made in connection with travel including dependents travel, and the transportation of his personal effects, household effects, and automobile.
 - b. Date and amount of last field salary allotment paid,
 - c. Salary advances, if any,
 - d. Outstanding operational advances and/or accounts.

PDOP # 26-6

- 6 -

13 January 1958
(Revised)

- b. If the Finance Division Clearance Worksheet indicates that the individual is indebted to the Agency, the Certifying Officer will:
- a. Notify the Office, Division or Staff to which the employee is assigned, that the employee must report to the Certifying Officer for settlement of the indebtedness before Finance Division Clearance will be granted.
 - b. Include on the Agency Clearance Sheet a statement giving reasons why Finance clearance cannot be accomplished.
 - c. Inquire of the applicable payroll office as to the amount due the individual for final salary and terminal leave, and request verbally, following this by a written statement, that a "stop payment" be put on all monies due the individual.
 - d. Discuss settlement of the indebtedness with the individual, if he is available, advising him that a "stop payment" order has been issued on all monies due him and that payment will not be effected until all outstanding items and/or indebtednesses have been satisfactorily resolved. The Certifying Officer will attempt to obtain the individual's written acknowledgment of his known or possible indebtedness to the Agency prior to his departure. Attachment "B" is a simple memorandum form to be used for this purpose. The Certifying Officer will complete this form notwithstanding that the individual refuses to execute his signature acknowledging the indebtedness. The memorandum will contain a positive notation to the effect that the person being cleared was advised of the contents thereof, but refused to sign the memorandum.
 - e. If the individual is not available for a discussion of his outstanding items and/or indebtednesses, initiate correspondence in order to bring the items or indebtedness to his attention.
 - f. (1) IF THE INDIVIDUAL IS ON AN UNWOUCHERED FUNDS ROLL, and has not settled his obligations to the Agency, notify the applicable payroll section of the amount of the indebtedness and request that monies due the individual for salary and terminal leave be applied against his indebtedness. Notification will be by memorandum, in triplicate. Two copies of this memorandum will be forwarded to the applicable payroll section, one copy of which will be returned to the Certifying Officer indicating compliance, non-compliance or partial compliance with the request contained in the memorandum; the third copy will be retained in the files of the Certifying Officer until the duplicate copy is returned from the payroll section: or

S E C R E T

FDOP # 20-6

- 7 -

13 January 1958
(Revised)

25X1A2E

(2) IF THE INDIVIDUAL IS ON VOUCHERED FUNDS and has not settled his obligations to the Agency, notify the Payroll Branch, Fiscal Division with respect to the amount to be deducted from final payment to the employee concerned. Notification will be by memorandum, in quadruplicate, and will indicate [redacted] as the payee to whom the Treasury Check is to be made payable. Three copies of this memorandum will be forwarded to the Fiscal Division; one copy of which will be returned to the Certifying Officer indicating compliance, non-compliance or partial compliance with the request contained in the memorandum; one copy will be submitted to the Monetary Branch, Finance Division as explained below; and one copy will be retained by the Certifying Officer until the duplicate copy is returned from the Fiscal Division. Upon receipt, the Fiscal Division will deliver the Treasury Check to the Monetary Branch, Finance Division, together with a copy of Standard Form #1050 (Public Voucher for Refund) and one copy of the Memorandum originated by the Certifying Officer.

- g. Retirement credits will not be applied against outstanding indebtednesses until all other means of effecting collection have been exhausted. Requests for retirement credits as offsets against outstanding indebtednesses will be cleared by the Chief, Operations and Liaison Branch and effected through Fiscal Division channels.
5. When all outstanding obligations have been satisfactorily resolved, the Certifying Officer will sign and forward the Finance Division Clearance Worksheet to the Clearance Officer for appropriate distribution.
6. If an indebtedness has not been fully settled at the time an individual departs the Agency, or if an individual departs prior to the issuance of final clearance, or if he does not report for final clearance, the Certifying Officer will report the situation to the Clearance Officer and will retain the FDCW until such time as all General Ledger Accounts pertaining to the individual have been closed.
7. When the Certifying Officer determines that all transactions pertaining to the individual, including application of monies due for salary and terminal leave, have been recorded he will transfer the balance(s) of any indebtedness to General Ledger Account (148.0). (See FDOP 30-10-1 for subsequent follow-up)
8. If the determination set forth in 7. above cannot be made, the amount of the indebtedness will be retained in the applicable 1/4 General Ledger Account(s) for a period of ninety (90) days prior to transferring such indebtedness to General Ledger Account 148.0.

S E C R E T

S E C R E T

FDOP # 20-6

- 8 -

13 January 1958
(Revised)

9. When the determination is made that an outstanding balance is to be transferred to General Ledger Account 148., the Certifying Officer will advise the Chief, Compensation and Tax Accounts Branch, in writing, of this action so that (1) the payroll file of the individual concerned will reflect this Operations and Liaison Branch action and (2) the individuals payroll folder(s) can be terminated and removed from the files of the Compensation and Tax Accounts Branch. At this point the individuals Operations and Liaison Branch file and the 148. file will be combined to become the individuals 148. file. The FDCW will be retained by the Certifying Officer and when final action has been accomplished he will (1) complete Section "E" thereof, (2) include the completed FDCW in the individual's Operations and Liaison Branch 148. file and, (3) after a reasonable period of time, forward the terminated 148. file to Finance Division Registry for retirement to archive.
10. In the event that final clearance has been granted to an individual and, subsequent to the clearance, notice is received to the effect that the individual is in fact indebted to the Agency, the Certifying Officer will take appropriate steps as outlined above to effect recovery of the indebtedness.

F. Function of the Monetary Branch:

The Monetary Branch will record the deposit received from the Fiscal Division to the credit of the appropriate Agent Cashier and document the transaction in such a manner as to credit the advance account of the employee as it appears on the records of the Finance Division.

G. Function of the Accounts Receivable Section, Accounts Branch:

The daily listing of individuals who are separating from the Agency received from the Clearance Office, Operations and Limison Branch (See III A. 4. hereof) will be utilized by the Accounts Receivable Section, Accounts Branch for the purpose of reflecting resignation actions on the IBM Advance Account runs.

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Attachments:

Attachment A
Attachment B